



General Assembly

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**Fifty-sixth session
Second Committee**

Agenda item 95 (a)

Macroeconomic policy questions: trade and development

**Letter dated 19 November 2001 from the Permanent
Representative of the Lao People's Democratic Republic to
the United Nations addressed to the Secretary-General**

In my capacity as Chairman of the Group of Landlocked Developing Countries, I have the honour to transmit to you herewith the ministerial communiqué adopted at the second annual ministerial meeting of the Group of Landlocked Developing Countries, held on 14 November 2001 in New York (see annex).

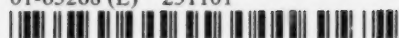
I would be grateful if the text of the present letter and its annex could be circulated as a document of the General Assembly, under agenda item 95 (a).

(Signed) Alounkeo Kittikhoun

Ambassador

Permanent Representative

Chairman of the Group of Landlocked Developing Countries



Annex to the letter dated 19 November 2001 from the Permanent Representative of the Lao People's Democratic Republic to the United Nations addressed to the Secretary-General

Communiqué of the second annual ministerial meeting of the Group of Landlocked Developing Countries

(14 November 2001, New York)

We, the Ministers of the Group of Landlocked Developing Countries, having met at United Nations Headquarters during the fifty-sixth session of the United Nations General Assembly, on 14 November 2001,

Recalling the United Nations Millennium Declaration (see General Assembly resolution 55/2), which recognizes the special needs and problems of landlocked developing countries, and urges both bilateral and multilateral donors to increase financial and technical assistance to this group of countries to meet their special development needs and to help them overcome the impediments of geography by improving their transit transportation system (para. 18),

Recalling also the ministerial communiqué adopted at the first annual ministerial meeting of the Group of Landlocked Developing Countries on 18 September 2000 in New York (A/C.2/55/2, annex), which has institutionalized the annual ministerial meeting of the Group of Landlocked Developing Countries,

Having assessed the progress in implementing the specific actions related to the particular needs and problems of landlocked developing countries and the Global Framework for Transit Transport Cooperation between Landlocked and Transit Developing Countries and the Donor Community (TD/B/42 (I)/11-TD/B/CDC/AC.1/7, annex I), solemnly declare the following:

1. We reconfirm our commitment to pursue a collective and constructive course of action at the United Nations and other relevant forums for the promotion and protection of our common interests, especially free and unimpeded transit access by all means of transport and the establishment of efficient transit transport systems. We shall also continue to seek and reinforce genuine international and regional cooperation for sustainable development and effective integration of our countries into the world economy;

2. We re-emphasize that, among the developing countries, the landlocked developing countries are generally the most vulnerable group with the weakest growth rates, and are heavily dependent on a limited number of commodities for their export earnings. The landlocked developing countries, when compared with other countries, lack territorial access to and from the sea as well as sea-based resources. The state of landlockedness, when compounded by remoteness and isolation from major world markets, imposes serious constraints on the overall socio-economic development efforts of our countries;

3. The landlocked developing countries continue to suffer from high transport costs caused by geographical handicaps associated with inadequate infrastructure facilities, additional border crossings, and dependence on transport policies and tariffs of their transit neighbours, as well as weak managerial, procedural, regulatory and institutional systems. Such high transport costs undermine our competitiveness in international markets;

4. Against this background, we are deeply concerned that, in the globalizing world economy, the landlocked developing countries are increasingly being marginalized and that, consequently, our countries have not been able to take full benefit of the new trade and investment opportunities offered by the processes of liberalization and globalization;

5. We endorse the agreed conclusions and recommendations adopted at the fifth Meeting of Governmental Experts from Landlocked and Transit Developing Countries and Representatives of Donor Countries and Financial and Development Institutions, held in New York from 30 July to 3 August 2001, which contain important action-oriented measures aimed at adequately addressing multifaceted issues of transit trade;

6. We believe that the most important achievement of the fifth Meeting of Governmental Experts was its

decision, pursuant to General Assembly resolution 54/199 of 22 December 1999, to recommend the convening of an International Ministerial Meeting of Landlocked and Transit Developing Countries and Donor Countries and Financial and Development Institutions in 2003 in Kazakhstan. We most sincerely believe that the International Ministerial Meeting will afford a historic opportunity for landlocked developing countries to agree on ways and means to promote their growth and to integrate their economy into the global economy by revitalizing their partnership and cooperative arrangements with transit neighbours and by developing landlocked developing countries' efficient transit transport systems, which are indispensable for arresting and reversing continued marginalization in the world economy. We reiterate our call to all countries and relevant stakeholders to attach the greatest urgency and importance to this event. We welcome and appreciate the generous offer made by the Government of Kazakhstan to host the International Ministerial Meeting;

7. An important task of the International Ministerial Meeting will be to review the implementation of the Global Framework for Transit Transport Cooperation between Landlocked and Transit Developing Countries and the Donor Community and to adopt a plan of action for transit transport cooperation. The plan of action should address the particular problems and needs related to landlocked developing countries in a holistic manner, taking into account the developmental dimension, adequate infrastructure, free and unimpeded transit access, and policy, legal, procedural and institutional aspects;

8. We emphasize that the credibility and action-oriented outcome of the International Ministerial Meeting will rest critically on the quality of preparations. The preparation for the International Ministerial Meeting should be based on serious substantive and deliberative work at the regional and global levels with the active involvement of all relevant stakeholders, including the private sector, and professional, regional and international organizations. The meeting should draw on national, bilateral, subregional and global experiences of transit trade cooperation and lessons learned from global conferences. For this purpose, subregional meetings should be held as a part of the preparatory process for the ministerial meeting, to exchange views and build up consensus on the subregional dimension of transit

transport cooperation and priority areas for action. The findings and outcomes of the subregional meetings, together with the outcomes of the five successive meetings of governmental experts from landlocked and transit developing countries, should be utilized as substantive inputs for the preparation of documentation for the senior officials meeting. The senior officials meeting should be convened to provide substantive preparation of the International Ministerial Meeting;

9. We urge our development partners, relevant intergovernmental and multilateral institutions and professional organizations to take appropriate steps to ensure that adequate preparations are undertaken for the International Ministerial Meeting. We also invite them to participate effectively in the preparatory process, and to support landlocked developing countries in their own preparation and participation in the International Ministerial Meeting itself;

10. We emphasize that the special problems and needs of the landlocked developing countries and the issue of improving their competitiveness should also be adequately addressed within the scope of negotiations of the World Trade Organization with a view to mobilizing international attention and support in favour of landlocked developing countries. The World Trade Organization should give due attention to the special problems confronting landlocked developing countries in the international trading system as a result of their disadvantaged geographical position and ensuing economic vulnerability. Such a geographical handicap imposes upon them excessive trade transaction costs. For landlocked developing countries, the high costs of trade logistics are a more considerable barrier than tariffs. We therefore consider that efficient trade facilitation measures are necessary and beneficial. We urge the secretariat of the World Trade Organization to give priority attention to landlocked developing countries in its exploratory and analytical work on the simplification of trade procedures in order to assess the scope of World Trade Organization rules in this area. We also call upon all States members of the World Trade Organization to facilitate the entry of landlocked developing countries into the World Trade Organization, considering these countries' disadvantaged position and their inability to meet conditions;

11. We attach great importance to the process of financing for development. The preparatory process as well as the International Conference on Financing for

Development itself, which will be held in March 2002 in Monterrey, Mexico, should adequately address all aspects of development financing in a sustained and holistic manner and should lead to a new paradigm for mobilizing financial resources needed for development. While addressing all aspects of development financing, the Conference must take into account the special problems and needs of landlocked developing countries;

12. The World Summit on Sustainable Development and its preparatory process should provide an opportunity to assess in a comprehensive manner the achievements and shortcomings in the implementation of Agenda 21. In this regard, we believe that for the World Summit to have a special political impact on strengthening international consensus on sustainable development in the years to come, opportunities should be sought to relieve pressures on the world's most vulnerable and marginalized, including landlocked developing countries, in order to assist them in reaping the benefits of globalization and ensuring sustainable development;

13. We commend the continued contribution made by the United Nations Conference on Trade and Development in formulating international policies and measures dealing with the special problems of landlocked developing countries;

14. We urge the Secretary-General of the United Nations, in close cooperation with the World Bank, the regional commissions and other relevant regional and international organizations, to provide effective preparation for the International Ministerial Meeting. In this context, we also urge the Secretary-General to allocate adequate resources for the programme in favour of landlocked developing countries.



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**Third United Nations Conference on the Least
Developed Countries**

**Letter dated 20 November 2001 from the Permanent
Representative of Bangladesh to the United Nations addressed to
the Secretary-General**

I have the honour to transmit herewith the text of the declaration and decision adopted by the Eleventh Annual Ministerial Meeting of the Least Developed Countries, held at United Nations Headquarters on 15 November 2001 (see annexes I and II).

I would like to request that the present letter and its annexes be circulated as a document of the General Assembly, under agenda item 106.

(Signed) Iftekhar Ahmed **Chowdhury**
Ambassador and Permanent Representative
of Bangladesh to the United Nations and
Coordinator of the Least Developed Countries



Annex I to the letter dated 20 November 2001 from the Permanent Representative of Bangladesh to the United Nations addressed to the Secretary-General

Declaration adopted by the Eleventh Annual Ministerial Meeting of the Least Developed Countries, held at United Nations Headquarters, New York, on 15 November 2001

We, the Ministers of the Least Developed Countries,

Having met at the United Nations Headquarters during the fifty-sixth session of the General Assembly, on 15 November 2001, pursuant to the decision of the Dhaka Declaration of February 1990,

Recalling the Millennium Declaration which contains determination of the Heads of State and Government to spare no efforts to free our fellow men, women and children from the abject and dehumanizing conditions of extreme poverty, and their undertaking to address the special needs of the Least Developed Countries,

Recalling the Ministerial Declaration of the Least Developed Countries adopted on 29 September 2000 during the fifty-fifth session of the General Assembly of the United Nations as well as the Ministerial Declaration made on the eve of the Third United Nations Conference on the Least Developed Countries in Brussels on 13 May 2001, declare that:

1. We welcome the adoption of the Brussels Declaration and the Programme of Action of the Third United Nations Conference on the Least Developed Countries (LDC III) held in Brussels from 14 to 20 May 2001, as a roadmap to our development partnership for the decade 2001-2010.

2. We express our appreciation to the European Union for acting as host to the Third United Nations Conference on LDCs as well as for their gracious hospitality, excellent arrangements and important contribution to the preparations for and the outcome of the Conference. We also express our appreciation to the Government and people of Belgium, as well as to the European Parliament for their warm hospitality and excellent support to the Conference.

3. We attach utmost importance to the outcome of the Third United Nations Conference on Least Developed Countries for the decade 2001-2010, which has adopted as its overarching goal the reduction of extreme poverty by half by 2015. It also takes a holistic approach to development by articulating policies under seven areas of commitments by the LDCs and their development partners. It builds on the outcomes of major United Nations conferences and summits, in particular the Millennium Summit Declaration, and breaks new grounds in the areas of productive capacity, trade, financial flows and debt.

4. We consider that implementation of these commitments is a great test of the principle of strengthened partnership between the LDCs and their development partners. We reiterate our full commitment to the outcome of the LDC III and undertake to work closely with our development partners with a view to achieving speedy implementation of the commitments therein.

5. We recognize that the national-level involvement is the linchpin for success in the implementation of the outcome of the LDC III. However, we stress

that, without significant assistance and effort of the international community, the implementation of this programme of action will remain beyond reach of LDCs.

6. We, therefore, call upon the United Nations system and all other multilateral organizations as well as other stakeholders to mobilize their efforts in support of the implementation of the Programme of Action of LDC III with maximum coordination, synergy and full commitment.

7. We stress the need for effective assistance by the United Nations system, as well as other relevant multilateral organizations, in facilitating substantive participation of the Least Developed Countries in appropriate multilateral forums.

8. We welcome the decision adopted by the Economic and Social Council at its resumed substantive session of 2001, to establish, under its regular agenda item entitled "Integrated and coordinated implementation of and follow-up to the major United Nations conferences and summits", a regular sub-item "Review and coordination of the implementation of the Programme of Action of the Least Developed Countries". We, however, understand that this decision does not exclude the possibility for the consideration, as appropriate, of the LDC issues in other relevant segments of the Economic and Social Council.

9. We emphasize that the dire socio-economic conditions in the LDCs require, among other things, substantial and concrete international support measures including appropriate poverty eradication programmes and removing the critical structural impediments to development they face. In order to undertake that responsibility, there is need to forge partnership among Governments, international organizations and civil society. The upcoming International Conference on Financing for Development and the World Summit on Sustainable Development should provide great opportunities for addressing many of these issues.

10. We note that the process of globalization and liberalization poses serious challenges to vulnerable countries, specially LDC, LLDCs and SIDS. In this regard, we welcome the action of the international community to address the specific concerns of these countries.

11. We support the agreed conclusions and recommendations adopted at the Fifth Meeting of Governmental Experts from Landlocked and Transit Developing Countries and Representatives of Donor Countries and Financial and Development Institutions, held in New York from 30 July to 3 August 2001, to convene in 2003 in Kazakhstan an International Ministerial Meeting of Landlocked and Transit Developing Countries and Donor Countries and Financial and Development Institutions on transit transport cooperation in order to give emphasis to the development of efficient transit transport system.

12. We also support the effective implementation of the Programme of Action for the Sustainable Development of Small Island Developing States and subsequently of the Declaration and Review Documents adopted by the General Assembly at its twenty-second special session.

13. We emphasize the importance of further improvements in the existing LDC criteria to make them reflective of structural weakness, impediments to human development, constraints on integration into the world economy, and vulnerability to environmental and ecological changes and natural disasters, as called for by the General Assembly resolution 51/183 of 16 December 1996. We are of the view that

the question of graduation of any LDC Member States should be deferred until such improvements in the criteria are brought about.

14. We recognize the importance of strengthened coordination and greater participation of LDCs in the implementation and follow-up of their Programme of Action. In this regard we decide to establish a Coordinating Bureau to be effective as of 1 January 2002.

15. We express our sincere appreciation and deep gratitude to the Government of Bangladesh for successfully discharging the responsibilities of the Coordinator of Least Developed Countries during the last two decades for the benefit of the collective efforts of LDCs in achieving the development goals.

**Annex II to the letter dated 20 November 2001 from the
Permanent Representative of Bangladesh to the United Nations
addressed to the Secretary-General**

**Decision on a coordination mechanism for the least developed
countries, adopted at United Nations Headquarters, New York, on
15 November 2001**

The Eleventh Annual Meeting of the LDCs held on 15 November 2001 in New York,

Recalling the Programme of Action of the Least Developed Countries for the Decade 2001-2010 adopted by the Third United Nations Conference on LDCs (LDC III) in Brussels,

Recognizing the importance of strengthened coordination and greater participation of the Least Developed Countries in the implementation and follow-up of the LDC III Programme of Action, decides:

1. To establish a coordination mechanism for the Least Developed Countries to be called the Coordination Bureau of the Least Developed Countries;
2. That the Coordination Bureau will be composed of the following members: a chairman and four vice-chairmen;
3. That the representation of the regional groups in the Coordination Bureau will be as follows: three from the African Group including Haiti and two from the Asian Group;
4. That the Bureau will be elected for a term of five years;
5. That the chairmanship of the Bureau will rotate alternately between the African Group, including Haiti and the Asian Group, and will start with the African Group;
6. That the Bureau will start functioning as from 1 January 2002.



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Agenda item 107

**High-level international intergovernmental consideration
of financing for development**

**Letter dated 14 November 2001 from the Permanent
Representative of Qatar to the United Nations addressed
to the Secretary-General**

On the instructions of my Government, I have the honour to transmit to you herewith the statement of His Highness Sheikh Hamad bin Khalifa Al Thani, Amir of the State of Qatar, at the opening session of the fourth Ministerial Conference of the World Trade Organization, held at Doha from 9 to 13 November 2001 (see annex).

I should be grateful if you would have this letter and its annex circulated as a document of the General Assembly, under agenda item 107.

(Signed) Nassir Abdulaziz Al-Nasser
Ambassador
Permanent Representative



Annex to the letter dated 14 November 2001 from the Permanent Representative of Qatar to the United Nations addressed to the Secretary-General

[Original: Arabic]

Statement of His Highness Sheikh Hamad bin Khalifa Al Thani, Amir of the State of Qatar, at the opening session of the fourth Ministerial Conference of the World Trade Organization, held in Doha, Qatar, from 9 to 13 November 2001

We are happy that you have chosen to come to Qatar for the fourth Ministerial Conference of the World Trade Organization (WTO), one of the most important international organizations established in the last century.

That the Conference is being held in Doha at this particular time has important regional and international implications. It also opens up many prospects for us to strengthen the world trading system by defining its fundamental principles and affirming its essential components so that it can contribute more effectively to opening up a world of prosperity, stability, communication and amity.

The multilateral trading system has undoubtedly contributed to world economic growth. It has also extended a helping hand to a number of developing countries in boosting their economic and social development, especially in the last two decades. The benefits have not been uniformly spread, however, and they have bypassed many developing countries. This is reflected in income distribution across the world, which is still unacceptably skewed in favour of the few.

The figures show that 80 per cent of the world's inhabitants consume only some 15 per cent of its resources while the rest consume about 85 per cent of them.

If we are looking to the WTO to help propel world economic development, full account must be taken of the needs and expectations of the developing countries whose inhabitants represent a major proportion of the world's population. For this to be done, you the ministers must strive to create an effective mechanism within the WTO that can provide these countries, especially the least-developed among them, with a serious possibility of participating in the elaboration of the foundations of the trading system and in the interpretation of its implications within a fluid context that takes full account of their economic, social and technical parameters, thus helping them derive real benefit from this system in future.

This Conference provides an auspicious opportunity to welcome new members of the Organization representing more than one billion people, a significant step towards its becoming an organization of a universal character.

That this Conference is being held in the Arab region reflects the region's historic interest and involvement in trade going back through many centuries both since and before the advent of Islam. This was reflected in the extensive commercial exchanges within the region itself and, beyond it, with contemporaneous civilizations in Europe, Africa and Asia. It should perhaps be said that the Arab countries, given this fund of historical experience and this deeply rooted commercial

background, can be of service to the world trading system as well as profiting from it.

This Conference gives the State of Qatar an opportunity to introduce itself and to affirm that its economic system is an open and flexible one that accords with the overall objectives of the WTO as exemplified by freedom of trade, guarantees of fair competition and the encouragement of foreign investment. The State of Qatar attaches great importance to attracting foreign investment by providing an inviting climate and establishing favourable and flexible terms for overseas participation in the country.

The responsibility you have today is great. The fourth WTO Ministerial Conference comes at a difficult time when many countries have experienced economic stagnation and slowdown. You will be the focus of attention and all eyes will be upon you until the adoption of a Ministerial Declaration that is satisfactory to all parties, a declaration launching a fresh round of trade negotiations at Doha that strengthens confidence in the Organization, imparts a strong impetus to trade and, at the same time, gives a badly needed stimulus to the world economy.

The world urgently needs a new round that accords a prominent place to development, that promotes the principles of justice and equity in the multilateral trading system and that opens markets fully to goods from the least developed countries and thus contributes to their prosperity.

In view of the many opportunities provided by this Conference, we hope that you will endeavour to make it a success by taking the decisions necessary to formulate appropriate future-oriented programmes for the WTO that seek primarily to promote dialogue among nations and peoples, to strengthen the world trading system so that it will be conducive to peace and stability, and to secure prosperity for all.

A successful Conference would be the best proof that all nations, rich and poor alike, are working together for a world that is more just and that cooperation and mutual understanding are the way to solve our problems.



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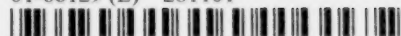
**High-level international intergovernmental consideration
of financing for development**

Letter dated 19 November 2001 from the Permanent Representative of Qatar to the United Nations addressed to the Secretary-General

On the instructions of my Government, I have the honour to transmit to you herewith the Ministerial Declaration of the Fourth Ministerial Conference of the World Trade Organization, held at Doha from 9 to 13 November 2001 (see annex).

I should be grateful if you would have this letter and its annex circulated as a document of the General Assembly, under agenda item 107.

(Signed) Nassir Abdulaziz **Al-Nasser**
Ambassador
Permanent Representative



Annex to the letter dated 19 November 2001 from the Permanent Representative of Qatar to the United Nations addressed to the Secretary-General

Ministerial Conference
Fourth session
Doha, 9-13 November 2001

MINISTERIAL DECLARATION

1. The multilateral trading system embodied in the World Trade Organization has contributed significantly to economic growth, development and employment throughout the past fifty years. We are determined, particularly in the light of the global economic slowdown, to maintain the process of reform and liberalization of trade policies, thus ensuring that the system plays its full part in promoting recovery, growth and development. We therefore strongly reaffirm the principles and objectives set out in the Marrakesh Agreement Establishing the World Trade Organization, and pledge to reject the use of protectionism.
2. International trade can play a major role in the promotion of economic development and the alleviation of poverty. We recognize the need for all our peoples to benefit from the increased opportunities and welfare gains that the multilateral trading system generates. The majority of WTO Members are developing countries. We seek to place their needs and interests at the heart of the Work Programme adopted in this Declaration. Recalling the Preamble to the Marrakesh Agreement, we shall continue to make positive efforts designed to ensure that developing countries, and especially the least-developed among them, secure a share in the growth of world trade commensurate with the needs of their economic development. In this context, enhanced market access, balanced rules, and well targeted, sustainably financed technical assistance and capacity-building programmes have important roles to play.
3. We recognize the particular vulnerability of the least-developed countries and the special structural difficulties they face in the global economy. We are committed to addressing the marginalization of least-developed countries in international trade and to improving their effective participation in the multilateral trading system. We recall the commitments made by Ministers at our meetings in Marrakesh, Singapore and Geneva, and by the international community at the Third UN Conference on Least-Developed Countries in Brussels, to help least-developed countries secure beneficial and meaningful integration into the multilateral trading system and the global economy. We are determined that the WTO will play its part in building effectively on these commitments under the Work Programme we are establishing.
4. We stress our commitment to the WTO as the unique forum for global trade rule-making and liberalization, while also recognizing that regional trade agreements can play an important role in promoting the liberalization and expansion of trade and in fostering development.
5. We are aware that the challenges Members face in a rapidly changing international environment cannot be addressed through measures taken in the trade field alone. We shall continue to work with the Bretton Woods institutions for greater coherence in global economic policy-making.
6. We strongly reaffirm our commitment to the objective of sustainable development, as stated in the Preamble to the Marrakesh Agreement. We are convinced that the aims of upholding and safeguarding an open and non-discriminatory multilateral trading system, and acting for the protection

of the environment and the promotion of sustainable development can and must be mutually supportive. We take note of the efforts by Members to conduct national environmental assessments of trade policies on a voluntary basis. We recognize that under WTO rules no country should be prevented from taking measures for the protection of human, animal or plant life or health, or of the environment at the levels it considers appropriate, subject to the requirement that they are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between countries where the same conditions prevail, or a disguised restriction on international trade, and are otherwise in accordance with the provisions of the WTO Agreements. We welcome the WTO's continued cooperation with UNEP and other inter-governmental environmental organizations. We encourage efforts to promote cooperation between the WTO and relevant international environmental and developmental organizations, especially in the lead-up to the World Summit on Sustainable Development to be held in Johannesburg, South Africa, in September 2002.

7. We reaffirm the right of Members under the General Agreement on Trade in Services to regulate, and to introduce new regulations on, the supply of services.

8. We reaffirm our declaration made at the Singapore Ministerial Conference regarding internationally recognized core labour standards. We take note of work under way in the International Labour Organization (ILO) on the social dimension of globalization.

9. We note with particular satisfaction that this Conference has completed the WTO accession procedures for China and Chinese Taipei. We also welcome the accession as new Members, since our last Session, of Albania, Croatia, Georgia, Jordan, Lithuania, Moldova and Oman, and note the extensive market-access commitments already made by these countries on accession. These accessions will greatly strengthen the multilateral trading system, as will those of the 28 countries now negotiating their accession. We therefore attach great importance to concluding accession proceedings as quickly as possible. In particular, we are committed to accelerating the accession of least-developed countries.

10. Recognizing the challenges posed by an expanding WTO membership, we confirm our collective responsibility to ensure internal transparency and the effective participation of all Members. While emphasizing the intergovernmental character of the organisation, we are committed to making the WTO's operations more transparent, including through more effective and prompt dissemination of information, and to improve dialogue with the public. We shall therefore at the national and multilateral levels continue to promote a better public understanding of the WTO and to communicate the benefits of a liberal, rules-based multilateral trading system.

11. In view of these considerations, we hereby agree to undertake the broad and balanced Work Programme set out below. This incorporates both an expanded negotiating agenda and other important decisions and activities necessary to address the challenges facing the multilateral trading system.

WORK PROGRAMME

IMPLEMENTATION-RELATED ISSUES AND CONCERNS

12. We attach the utmost importance to the implementation-related issues and concerns raised by Members and are determined to find appropriate solutions to them. In this connection, and having regard to the General Council Decisions of 3 May and 15 December 2000, we further adopt the Decision on Implementation-Related Issues and Concerns in document WT/MIN(01)/W/10 to address a number of implementation problems faced by Members. We agree that negotiations on outstanding implementation issues shall be an integral part of the Work Programme we are establishing, and that agreements reached at an early stage in these negotiations shall be treated in accordance with the

provisions of paragraph 47 below. In this regard, we shall proceed as follows: (a) where we provide a specific negotiating mandate in this Declaration, the relevant implementation issues shall be addressed under that mandate; (b) the other outstanding implementation issues shall be addressed as a matter of priority by the relevant WTO bodies, which shall report to the Trade Negotiations Committee, established under paragraph 46 below, by the end of 2002 for appropriate action.

AGRICULTURE

13. We recognize the work already undertaken in the negotiations initiated in early 2000 under Article 20 of the Agreement on Agriculture, including the large number of negotiating proposals submitted on behalf of a total of 121 Members. We recall the long-term objective referred to in the Agreement to establish a fair and market-oriented trading system through a programme of fundamental reform encompassing strengthened rules and specific commitments on support and protection in order to correct and prevent restrictions and distortions in world agricultural markets. We reaffirm our commitment to this programme. Building on the work carried out to date and without prejudging the outcome of the negotiations we commit ourselves to comprehensive negotiations aimed at: substantial improvements in market access; reductions of, with a view to phasing out, all forms of export subsidies; and substantial reductions in trade-distorting domestic support. We agree that special and differential treatment for developing countries shall be an integral part of all elements of the negotiations and shall be embodied in the Schedules of concessions and commitments and as appropriate in the rules and disciplines to be negotiated, so as to be operationally effective and to enable developing countries to effectively take account of their development needs, including food security and rural development. We take note of the non-trade concerns reflected in the negotiating proposals submitted by Members and confirm that non-trade concerns will be taken into account in the negotiations as provided for in the Agreement on Agriculture.

14. Modalities for the further commitments, including provisions for special and differential treatment, shall be established no later than 31 March 2003. Participants shall submit their comprehensive draft Schedules based on these modalities no later than the date of the Fifth Session of the Ministerial Conference. The negotiations, including with respect to rules and disciplines and related legal texts, shall be concluded as part and at the date of conclusion of the negotiating agenda as a whole.

SERVICES

15. The negotiations on trade in services shall be conducted with a view to promoting the economic growth of all trading partners and the development of developing and least-developed countries. We recognize the work already undertaken in the negotiations, initiated in January 2000 under Article XIX of the General Agreement on Trade in Services, and the large number of proposals submitted by Members on a wide range of sectors and several horizontal issues, as well as on movement of natural persons. We reaffirm the Guidelines and Procedures for the Negotiations adopted by the Council for Trade in Services on 28 March 2001 as the basis for continuing the negotiations, with a view to achieving the objectives of the General Agreement on Trade in Services, as stipulated in the Preamble, Article IV and Article XIX of that Agreement. Participants shall submit initial requests for specific commitments by 30 June 2002 and initial offers by 31 March 2003.

MARKET ACCESS FOR NON-AGRICULTURAL PRODUCTS

16. We agree to negotiations which shall aim, by modalities to be agreed, to reduce or as appropriate eliminate tariffs, including the reduction or elimination of tariff peaks, high tariffs, and tariff escalation, as well as non-tariff barriers, in particular on products of export interest to

developing countries. Product coverage shall be comprehensive and without *a priori* exclusions. The negotiations shall take fully into account the special needs and interests of developing and least-developed country participants, including through less than full reciprocity in reduction commitments, in accordance with the relevant provisions of Article XXVIII *bis* of GATT 1994 and the provisions cited in paragraph 50 below. To this end, the modalities to be agreed will include appropriate studies and capacity-building measures to assist least-developed countries to participate effectively in the negotiations.

TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS

17. We stress the importance we attach to implementation and interpretation of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) in a manner supportive of public health, by promoting both access to existing medicines and research and development into new medicines and, in this connection, are adopting a separate Declaration.

18. With a view to completing the work started in the Council for Trade-Related Aspects of Intellectual Property Rights (Council for TRIPS) on the implementation of Article 23.4, we agree to negotiate the establishment of a multilateral system of notification and registration of geographical indications for wines and spirits by the Fifth Session of the Ministerial Conference. We note that issues related to the extension of the protection of geographical indications provided for in Article 23 to products other than wines and spirits will be addressed in the Council for TRIPS pursuant to paragraph 12 of this Declaration.

19. We instruct the Council for TRIPS, in pursuing its work programme including under the review of Article 27.3(b), the review of the implementation of the TRIPS Agreement under Article 71.1 and the work foreseen pursuant to paragraph 12 of this Declaration, to examine, *inter alia*, the relationship between the TRIPS Agreement and the Convention on Biological Diversity, the protection of traditional knowledge and folklore, and other relevant new developments raised by Members pursuant to Article 71.1. In undertaking this work, the TRIPS Council shall be guided by the objectives and principles set out in Articles 7 and 8 of the TRIPS Agreement and shall take fully into account the development dimension.

RELATIONSHIP BETWEEN TRADE AND INVESTMENT

20. Recognising the case for a multilateral framework to secure transparent, stable and predictable conditions for long-term cross-border investment, particularly foreign direct investment, that will contribute to the expansion of trade, and the need for enhanced technical assistance and capacity-building in this area as referred to in paragraph 21, we agree that negotiations will take place after the Fifth Session of the Ministerial Conference on the basis of a decision to be taken, by explicit consensus, at that Session on modalities of negotiations.

21. We recognize the needs of developing and least-developed countries for enhanced support for technical assistance and capacity building in this area, including policy analysis and development so that they may better evaluate the implications of closer multilateral cooperation for their development policies and objectives, and human and institutional development. To this end, we shall work in cooperation with other relevant intergovernmental organisations, including UNCTAD, and through appropriate regional and bilateral channels, to provide strengthened and adequately resourced assistance to respond to these needs.

22. In the period until the Fifth Session, further work in the Working Group on the Relationship Between Trade and Investment will focus on the clarification of: scope and definition; transparency; non-discrimination; modalities for pre-establishment commitments based on a GATS-type, positive

list approach; development provisions; exceptions and balance-of-payments safeguards; consultation and the settlement of disputes between Members. Any framework should reflect in a balanced manner the interests of home and host countries, and take due account of the development policies and objectives of host governments as well as their right to regulate in the public interest. The special development, trade and financial needs of developing and least-developed countries should be taken into account as an integral part of any framework, which should enable Members to undertake obligations and commitments commensurate with their individual needs and circumstances. Due regard should be paid to other relevant WTO provisions. Account should be taken, as appropriate, of existing bilateral and regional arrangements on investment.

INTERACTION BETWEEN TRADE AND COMPETITION POLICY

23. Recognising the case for a multilateral framework to enhance the contribution of competition policy to international trade and development, and the need for enhanced technical assistance and capacity-building in this area as referred to in paragraph 24, we agree that negotiations will take place after the Fifth Session of the Ministerial Conference on the basis of a decision to be taken, by explicit consensus, at that Session on modalities of negotiations.

24. We recognize the needs of developing and least-developed countries for enhanced support for technical assistance and capacity building in this area, including policy analysis and development so that they may better evaluate the implications of closer multilateral cooperation for their development policies and objectives, and human and institutional development. To this end, we shall work in cooperation with other relevant intergovernmental organisations, including UNCTAD, and through appropriate regional and bilateral channels, to provide strengthened and adequately resourced assistance to respond to these needs.

25. In the period until the Fifth Session, further work in the Working Group on the Interaction between Trade and Competition Policy will focus on the clarification of: core principles, including transparency, non-discrimination and procedural fairness, and provisions on hardcore cartels; modalities for voluntary cooperation; and support for progressive reinforcement of competition institutions in developing countries through capacity building. Full account shall be taken of the needs of developing and least-developed country participants and appropriate flexibility provided to address them.

TRANSPARENCY IN GOVERNMENT PROCUREMENT

26. Recognizing the case for a multilateral agreement on transparency in government procurement and the need for enhanced technical assistance and capacity building in this area, we agree that negotiations will take place after the Fifth Session of the Ministerial Conference on the basis of a decision to be taken, by explicit consensus, at that Session on modalities of negotiations. These negotiations will build on the progress made in the Working Group on Transparency in Government Procurement by that time and take into account participants' development priorities, especially those of least-developed country participants. Negotiations shall be limited to the transparency aspects and therefore will not restrict the scope for countries to give preferences to domestic supplies and suppliers. We commit ourselves to ensuring adequate technical assistance and support for capacity building both during the negotiations and after their conclusion.

TRADE FACILITATION

27. Recognizing the case for further expediting the movement, release and clearance of goods, including goods in transit, and the need for enhanced technical assistance and capacity building in this

area, we agree that negotiations will take place after the Fifth Session of the Ministerial Conference on the basis of a decision to be taken, by explicit consensus, at that Session on modalities of negotiations. In the period until the Fifth Session, the Council for Trade in Goods shall review and as appropriate, clarify and improve relevant aspects of Articles V, VIII and X of the GATT 1994 and identify the trade facilitation needs and priorities of Members, in particular developing and least-developed countries. We commit ourselves to ensuring adequate technical assistance and support for capacity building in this area.

WTO RULES

28. In the light of experience and of the increasing application of these instruments by Members, we agree to negotiations aimed at clarifying and improving disciplines under the Agreements on Implementation of Article VI of the GATT 1994 and on Subsidies and Countervailing Measures, while preserving the basic concepts, principles and effectiveness of these Agreements and their instruments and objectives, and taking into account the needs of developing and least-developed participants. In the initial phase of the negotiations, participants will indicate the provisions, including disciplines on trade distorting practices, that they seek to clarify and improve in the subsequent phase. In the context of these negotiations, participants shall also aim to clarify and improve WTO disciplines on fisheries subsidies, taking into account the importance of this sector to developing countries. We note that fisheries subsidies are also referred to in paragraph 31.

29. We also agree to negotiations aimed at clarifying and improving disciplines and procedures under the existing WTO provisions applying to regional trade agreements. The negotiations shall take into account the developmental aspects of regional trade agreements.

DISPUTE SETTLEMENT UNDERSTANDING

30. We agree to negotiations on improvements and clarifications of the Dispute Settlement Understanding. The negotiations should be based on the work done thus far as well as any additional proposals by Members, and aim to agree on improvements and clarifications not later than May 2003, at which time we will take steps to ensure that the results enter into force as soon as possible thereafter.

TRADE AND ENVIRONMENT

31. With a view to enhancing the mutual supportiveness of trade and environment, we agree to negotiations, without prejudging their outcome, on:

- (i) the relationship between existing WTO rules and specific trade obligations set out in multilateral environmental agreements (MEAs). The negotiations shall be limited in scope to the applicability of such existing WTO rules as among parties to the MEA in question. The negotiations shall not prejudice the WTO rights of any Member that is not a party to the MEA in question;
- (ii) procedures for regular information exchange between MEA Secretariats and the relevant WTO committees, and the criteria for the granting of observer status;
- (iii) the reduction or, as appropriate, elimination of tariff and non-tariff barriers to environmental goods and services.

We note that fisheries subsidies form part of the negotiations provided for in paragraph 28.

32. We instruct the Committee on Trade and Environment, in pursuing work on all items on its agenda within its current terms of reference, to give particular attention to:

- (i) the effect of environmental measures on market access, especially in relation to developing countries, in particular the least-developed among them, and those situations in which the elimination or reduction of trade restrictions and distortions would benefit trade, the environment and development;
- (ii) the relevant provisions of the Agreement on Trade-Related Aspects of Intellectual Property Rights; and
- (iii) labelling requirements for environmental purposes.

Work on these issues should include the identification of any need to clarify relevant WTO rules. The Committee shall report to the Fifth Session of the Ministerial Conference, and make recommendations, where appropriate, with respect to future action, including the desirability of negotiations. The outcome of this work as well as the negotiations carried out under paragraph 31(i) and (ii) shall be compatible with the open and non-discriminatory nature of the multilateral trading system, shall not add to or diminish the rights and obligations of Members under existing WTO agreements, in particular the Agreement on the Application of Sanitary and Phytosanitary Measures, nor alter the balance of these rights and obligations, and will take into account the needs of developing and least-developed countries.

33. We recognize the importance of technical assistance and capacity building in the field of trade and environment to developing countries, in particular the least-developed among them. We also encourage that expertise and experience be shared with Members wishing to perform environmental reviews at the national level. A report shall be prepared on these activities for the Fifth Session.

ELECTRONIC COMMERCE

34. We take note of the work which has been done in the General Council and other relevant bodies since the Ministerial Declaration of 20 May 1998 and agree to continue the Work Programme on Electronic Commerce. The work to date demonstrates that electronic commerce creates new challenges and opportunities for trade for Members at all stages of development, and we recognize the importance of creating and maintaining an environment which is favourable to the future development of electronic commerce. We instruct the General Council to consider the most appropriate institutional arrangements for handling the Work Programme, and to report on further progress to the Fifth Session of the Ministerial Conference. We declare that Members will maintain their current practice of not imposing customs duties on electronic transmissions until the Fifth Session.

SMALL ECONOMIES

35. We agree to a work programme, under the auspices of the General Council, to examine issues relating to the trade of small economies. The objective of this work is to frame responses to the trade-related issues identified for the fuller integration of small, vulnerable economies into the multilateral trading system, and not to create a sub-category of WTO Members. The General Council shall review the work programme and make recommendations for action to the Fifth Session of the Ministerial Conference.

TRADE, DEBT AND FINANCE

36. We agree to an examination, in a Working Group under the auspices of the General Council, of the relationship between trade, debt and finance, and of any possible recommendations on steps that might be taken within the mandate and competence of the WTO to enhance the capacity of the multilateral trading system to contribute to a durable solution to the problem of external indebtedness of developing and least-developed countries, and to strengthen the coherence of international trade and financial policies, with a view to safeguarding the multilateral trading system from the effects of financial and monetary instability. The General Council shall report to the Fifth Session of the Ministerial Conference on progress in the examination.

TRADE AND TRANSFER OF TECHNOLOGY

37. We agree to an examination, in a Working Group under the auspices of the General Council, of the relationship between trade and transfer of technology, and of any possible recommendations on steps that might be taken within the mandate of the WTO to increase flows of technology to developing countries. The General Council shall report to the Fifth Session of the Ministerial Conference on progress in the examination.

TECHNICAL COOPERATION AND CAPACITY BUILDING

38. We confirm that technical cooperation and capacity building are core elements of the development dimension of the multilateral trading system, and we welcome and endorse the New Strategy for WTO Technical Cooperation for Capacity Building, Growth and Integration. We instruct the Secretariat, in coordination with other relevant agencies, to support domestic efforts for mainstreaming trade into national plans for economic development and strategies for poverty reduction. The delivery of WTO technical assistance shall be designed to assist developing and least-developed countries and low-income countries in transition to adjust to WTO rules and disciplines, implement obligations and exercise the rights of membership, including drawing on the benefits of an open, rules-based multilateral trading system. Priority shall also be accorded to small, vulnerable, and transition economies, as well as to Members and Observers without representation in Geneva. We reaffirm our support for the valuable work of the International Trade Centre, which should be enhanced.

39. We underscore the urgent necessity for the effective coordinated delivery of technical assistance with bilateral donors, in the OECD Development Assistance Committee and relevant international and regional intergovernmental institutions, within a coherent policy framework and timetable. In the coordinated delivery of technical assistance, we instruct the Director-General to consult with the relevant agencies, bilateral donors and beneficiaries, to identify ways of enhancing and rationalizing the Integrated Framework for Trade-Related Technical Assistance to Least-Developed Countries and the Joint Integrated Technical Assistance Programme (JITAP).

40. We agree that there is a need for technical assistance to benefit from secure and predictable funding. We therefore instruct the Committee on Budget, Finance and Administration to develop a plan for adoption by the General Council in December 2001 that will ensure long-term funding for WTO technical assistance at an overall level no lower than that of the current year and commensurate with the activities outlined above.

41. We have established firm commitments on technical cooperation and capacity building in various paragraphs in this Ministerial Declaration. We reaffirm these specific commitments contained in paragraphs 16, 22, 25-27, 33, 38-40, 42 and 43, and also reaffirm the understanding in paragraph 2 on the important role of sustainably financed technical assistance and capacity-building programmes.

We instruct the Director-General to report to the Fifth Session of the Ministerial Conference, with an interim report to the General Council in December 2002 on the implementation and adequacy of these commitments in the identified paragraphs.

LEAST-DEVELOPED COUNTRIES

42. We acknowledge the seriousness of the concerns expressed by the least-developed countries (LDCs) in the Zanzibar Declaration adopted by their Ministers in July 2001. We recognise that the integration of the LDCs into the multilateral trading system requires meaningful market access, support for the diversification of their production and export base, and trade-related technical assistance and capacity building. We agree that the meaningful integration of LDCs into the trading system and the global economy will involve efforts by all WTO Members. We commit ourselves to the objective of duty-free, quota-free market access for products originating from LDCs. In this regard, we welcome the significant market access improvements by WTO Members in advance of the Third UN Conference on LDCs (LDC-III), in Brussels, May 2001. We further commit ourselves to consider additional measures for progressive improvements in market access for LDCs. Accession of LDCs remains a priority for the Membership. We agree to work to facilitate and accelerate negotiations with acceding LDCs. We instruct the Secretariat to reflect the priority we attach to LDCs' accessions in the annual plans for technical assistance. We reaffirm the commitments we undertook at LDC-III, and agree that the WTO should take into account, in designing its work programme for LDCs, the trade-related elements of the Brussels Declaration and Programme of Action, consistent with the WTO's mandate, adopted at LDC-III. We instruct the Sub-Committee for Least-Developed Countries to design such a work programme and to report on the agreed work programme to the General Council at its first meeting in 2002.

43. We endorse the Integrated Framework for Trade-Related Technical Assistance to Least-Developed Countries (IF) as a viable model for LDCs' trade development. We urge development partners to significantly increase contributions to the IF Trust Fund and WTO extra-budgetary trust funds in favour of LDCs. We urge the core agencies, in coordination with development partners, to explore the enhancement of the IF with a view to addressing the supply-side constraints of LDCs and the extension of the model to all LDCs, following the review of the IF and the appraisal of the ongoing Pilot Scheme in selected LDCs. We request the Director-General, following coordination with heads of the other agencies, to provide an interim report to the General Council in December 2002 and a full report to the Fifth Session of the Ministerial Conference on all issues affecting LDCs.

SPECIAL AND DIFFERENTIAL TREATMENT

44. We reaffirm that provisions for special and differential treatment are an integral part of the WTO Agreements. We note the concerns expressed regarding their operation in addressing specific constraints faced by developing countries, particularly least-developed countries. In that connection, we also note that some Members have proposed a Framework Agreement on Special and Differential Treatment (WT/GC/W/442). We therefore agree that all special and differential treatment provisions shall be reviewed with a view to strengthening them and making them more precise, effective and operational. In this connection, we endorse the work programme on special and differential treatment set out in the Decision on Implementation-Related Issues and Concerns.

ORGANIZATION AND MANAGEMENT OF THE WORK PROGRAMME

45. The negotiations to be pursued under the terms of this Declaration shall be concluded not later than 1 January 2005. The Fifth Session of the Ministerial Conference will take stock of progress in the negotiations, provide any necessary political guidance, and take decisions as necessary. When the

results of the negotiations in all areas have been established, a Special Session of the Ministerial Conference will be held to take decisions regarding the adoption and implementation of those results.

46. The overall conduct of the negotiations shall be supervised by a Trade Negotiations Committee under the authority of the General Council. The Trade Negotiations Committee shall hold its first meeting not later than 31 January 2002. It shall establish appropriate negotiating mechanisms as required and supervise the progress of the negotiations.

47. With the exception of the improvements and clarifications of the Dispute Settlement Understanding, the conduct, conclusion and entry into force of the outcome of the negotiations shall be treated as parts of a single undertaking. However, agreements reached at an early stage may be implemented on a provisional or a definitive basis. Early agreements shall be taken into account in assessing the overall balance of the negotiations.

48. Negotiations shall be open to:

- (i) all Members of the WTO; and
- (ii) States and separate customs territories currently in the process of accession and those that inform Members, at a regular meeting of the General Council, of their intention to negotiate the terms of their membership and for whom an accession working party is established.

Decisions on the outcomes of the negotiations shall be taken only by WTO Members.

49. The negotiations shall be conducted in a transparent manner among participants, in order to facilitate the effective participation of all. They shall be conducted with a view to ensuring benefits to all participants and to achieving an overall balance in the outcome of the negotiations.

50. The negotiations and the other aspects of the Work Programme shall take fully into account the principle of special and differential treatment for developing and least-developed countries embodied in: Part IV of the GATT 1994; the Decision of 28 November 1979 on Differential and More Favourable Treatment, Reciprocity and Fuller Participation of Developing Countries; the Uruguay Round Decision on Measures in Favour of Least-Developed Countries; and all other relevant WTO provisions.

51. The Committee on Trade and Development and the Committee on Trade and Environment shall, within their respective mandates, each act as a forum to identify and debate developmental and environmental aspects of the negotiations, in order to help achieve the objective of having sustainable development appropriately reflected.

52. Those elements of the Work Programme which do not involve negotiations are also accorded a high priority. They shall be pursued under the overall supervision of the General Council, which shall report on progress to the Fifth Session of the Ministerial Conference.